

HOME-SHARING IN LEMON GROVE

Lemon Grove City Council adopts new "home-sharing" ordinance

On May 7, 2019, the Lemon Grove City Council adopted an ordinance (<u>Ordinance No. 452</u>) allowing homesharing with regulations and prohibiting vacation rentals in Lemon Grove. The ordinance went into effect on June 7, 2019. The City will begin enforcing the ordinance on July 1, 2019.

Home-sharing is subject to strict requirements to ensure it does not adversely affect the residential character of the neighborhood or generate noise, traffic, parking, trash, or have other negative impacts on neighbors. The application for a Home-Share Permit includes <u>Good Neighbor Guidelines</u> that should be posted within each dwelling used as a home-share and given to each guest.

This web-page provides information to help you understand the new ordinance, how the permitting process works, and other responsibilities required of home-sharing hosts, such as paying the required transient occupancy tax (TOT). It also provides links to permits and other pertinent information.

WHAT IS "HOME-SHARING"?

Home-sharing is a "hosted" short-term rental. Home-sharing is an accessory use of a dwelling unit whereby the resident (the "host"), rents his or her *primary residence* to one or more transient occupants, for compensation, for periods of thirty (30) consecutive days or less, while the host resides on-site, in the dwelling unit, throughout the transient occupant's stay. Home-sharing is allowed in Lemon Grove only if the host complies with all the requirements of the ordinance.

WHAT IS A "VACATION RENTAL"?

A vacation rental is the rental of any dwelling unit, in whole or in part, to any transient occupant(s) for exclusive transient use for periods of thirty consecutive days or less. A vacation rental is also known as an "unhosted" short-term rental. *Vacation rentals are prohibited in Lemon Grove.* That means you cannot offer a dwelling as a short-term rental if it's not your primary residence. It also mean that, even if it is your primary residence, if you're not residing in it while the transient occupants are there, you cannot rent it out as a short-term rental.

WHAT IS THE PROCESS FOR BEING A HOME-SHARE HOST?

- ✓ Step 1: Read the home-sharing.ordinance and make sure you can comply with all the requirements. If you have any questions, please contact the Community Development Department at (619) 825-3800. Links to the ordinance, pertinent information, permit applications, and forms can be found at www.lemongrove.ca.gov/home-sharing
- ✓ **Step 2:** Apply for a <u>Home-Sharing Permit</u>. City staff will review your application and make sure all required documentation is provided. The Home-Sharing Permit application is \$79. If your application for a Home-Sharing Permit is approved, you will be issued a Home-Sharing Permit with a Home-sharing Permit Number. The Home-Sharing Permit Number *must* be used on *all* advertising for your home-share, including advertising on every hosting platform on which you advertise.
- ✓ Step 3: If your application for a Home-Sharing Permit is approved, you will apply for a <u>Business License</u>. The Business License is \$49.

- ✓ Step 4: Your Home-Sharing Permit and Business License will be issued and you will be added to the City's Home-Sharing Registry, which is published on the City's website. You are now eligible to conduct your homeshare.
- ✓ **Step 5:** You are required to collect and remit TOT to the City as specified in the <u>TOT Form</u>. TOT is required to be paid by all "transient uses," including hotels, motels, bed-and-breakfast inns, and home-sharing operations.
- ✓ **Step 6:** Renew your Home-Sharing Permit and Business License annually. If you decide to stop conducting home-sharing, please notify the City so your information can be deleted from the Home-Sharing Registry.

OTHER FREQUENTLY ASKED QUESTIONS

Who can be a host? The property owner, or with the property owner's approval, a long-term tenant/renter or lessee may be a host. If you're a long-term tenant/renter or lessee, the property owner also must sign the application for the Home-Sharing Permit. There can only be one host per dwelling unit.

What is a "primary residence"? It is your permanent residence (or the usual place of residence, where you normally live, sleep, and eat). You can only have one primary residence and you must live in the residence a minimum of 275 days per year for it to qualify as your primary residence. You must demonstrate proof of residency to the City by providing a minimum of two of the following items:

- Motor vehicle registration
- Driver's license
- Voter registration
- Tax documents showing the dwelling unit as your primary residence
- Utility or phone bill with the dwelling unit's address dated within the last 30 days

The ordinance states I must reside on-site, in the dwelling unit, throughout the transient occupant's stay. Does that mean I cannot leave my house while I'm home-sharing? No, the City understands that hosts may have to go to work or the store, take children to school, etc. The ordinance requires you, as the host, to be present in the dwelling at least five hours within every 24-hour period your dwelling is being used for home-sharing.

Can I rent out my primary residence on a short-term basis (less than 30 days) while I'm out of town? No. Renting out a residence to any transient occupants while you're not residing on-site throughout the transient occupants' stay is a vacation rental, and vacation rentals are prohibited in Lemon Grove.

I live in an apartment complex (multifamily residential development)—can I be a host? Only if the property owner approves. The City will not issue a Home-Sharing Permit without the property owner's authorization. The property owner must sign your Home-Sharing application authorizing the use of your rental unit for home-sharing.

I live in a condominium—can I be a host? Only if your condominium association approves. The City will not issue a Home-Sharing Permit to anyone in a condominium unless the condominium association provides a letter of authorization, which must be submitted with your application. And if you're renting the condominium, you'll also need the property owner's signature.

Is there a limit on how often I can use my home as a home-share? No, there is no limit.

Is there a minimum duration for any one home-share rental? Yes. Each home-share rental must be a minimum of three (3) days, two (2) nights.

Is there a limit to the number of guests allowed? Yes. Occupancy is limited to 2 guests per bedroom, excluding the host's bedroom, plus one additional guest. For example, if you have a 4-bedroom house, you could have a maximum of 7 home-share guests. If you have a 2-bedroom house and a guest house with one bedroom, you could have a maximum of five home-share guests.

Can I rent out my guest house* as a home-share? It depends. Your guest house must have been legally constructed as a guest house to be allowed to be included in your Home-Sharing permit. If it *wasn't* legally constructed, then you are prohibited from renting it out. If it *was* legally constructed, you can include it in your Home-Sharing Permit.

I have an Accessory Rental Dwelling Unit* (ARDU) on my property with a long-term tenant living in it. Can my tenant be a home-share host? Yes, as long as the ARDU was legally constructed as an ARDU, and as long as you authorize it, since you're the property owner. Can I also be a host? Yes, you can be a host in your primary residence and your tenant can be a host in the ARDU on the same property.

*What is the difference between a guest house and an ARDU?

- **Guest house:** Living quarters having no kitchen facilities, located within an accessory building located on the same site as the primary residence, and occupied for the sole use of members of the family, temporary guests or persons permanently employed on the premises.
- ARDU: A secondary dwelling unit located on a lot with one (1) single-family dwelling in the RL or RL/M,
 RM, or RM/H zones. ARDUs provide an affordable type of housing and can provide a source of income for
 homeowners. For more information, please visit:
 https://www.lemongrove.ca.gov/Home/ShowDocument?id=1907

Can home-share guests park on the street? No, you *must* provide parking for your guests on-site and *they must not park on the street*. Please note that parking is not allowed in the required front or side setbacks, except within the driveway. The parking spaces you provide for guests must be in addition to the parking requirements for your dwelling, whether you live in a single-family residence, ARDU, or an apartment or condominium. For example, if you live in a single-family house with an attached two-car garage with a driveway that is long enough for one or more cars to park without hanging into the public right-of-way, the garage provides the Coderequired parking for you, as the host, and the driveway provides parking for your home-share guest(s).

Are special or commercial events allowed? Events, parties, and group gatherings that exceed the maximum number of allowed home-sharing guests are prohibited. Special events such as weddings, banquets, and corporate retreats, are prohibited in association with the home-sharing use.

Is there a limitation on what can be rented out? The structure or portion of the structure must be permitted for residential use. Non-permitted structures, garages, storage sheds, vehicles, recreational vehicles, tree houses, and temporary structures (such as tents) cannot be rented out for home-sharing. Also, the structure must be in compliance with all City Codes and other relevant laws and ordinances.

I rent out a bedroom in my house to a long-term tenant while I'm also living there. Do I have to apply for a Home-Sharing Permit and pay TOT? No. Renting out a room or rooms in your dwelling to a tenant on a long-term basis (over 30 days) with a month-to-month rental agreement is not considered home-sharing for the purpose of the ordinance. You are not required to obtain a Home-Sharing Permit or pay TOT.

REVOCATION OF PERMIT

A home-sharing permit is subject to revocation if one or more of the conditions of the permit are not being fulfilled or if other violations exist.

ENFORCEMENT

Home-sharing that does not comply with the home-sharing ordinance is considered a misdemeanor and violators shall, upon conviction, be punishable by a fine or imprisonment as set forth in Section 17.04.070 of the LGMC.

HOME-SHARING REGISTRY

The City created a Home-Sharing Registry and publishes it online at the webpage listed below. The City assigns each home-sharing operation it approves a unique Home-Sharing Permit Number and posts them on the Home-Sharing Registry.

If you think there is a home-share operating in your neighborhood and you want to know if it is permitted, please visit the home-sharing registry at www.lemongrove.ca.gov/home-sharing/home-sharing registry.

QUESTIONS?

Please contact the Development Services Department at (619) 825-3800 or visit the City's home-sharing webpage at www.lemongrove.ca.gov/home-sharing.

Note: The information provided here does not replace the specific information in <u>Ordinance 452</u>. Please refer to Ordinance 452 for the complete list of requirements.